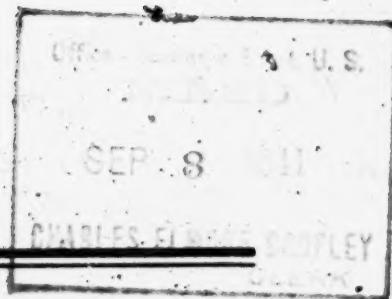


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IN THE  
**Supreme Court of the United States**

OCTOBER TERM, A. D. 1941.

**No. 323**

MUNCIE GEAR WORKS, INC., AND BRUNS &  
COLLINS, INC.,

*Petitioners,*

*vs.*

OUTBOARD, MARINE & MANUFACTURING COM-  
PANY AND JOHNSON BROTHERS ENGINEERING  
CORPORATION,

*Respondents.*

**RESPONSE OF RESPONDENTS, OUTBOARD, MARINE-  
& MANUFACTURING COMPANY AND JOHNSON  
BROTHERS ENGINEERING CORPORATION TO  
PETITION FOR CERTIORARI OF MUNCIE GEAR  
WORKS, INC. AND BRUNS & COLLINS, INC.**

GEO. L. WILKINSON,  
S. L. WHEELER,  
ISADORE LEVIN,

*Counsel for Respondents.*

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**RESPONSE OF RESPONDENTS, OUTBOARD, MARINE  
& MANUFACTURING COMPANY AND JOHNSON  
BROTHERS ENGINEERING CORPORATION TO  
PETITION FOR CERTIORARI.**

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**RESPONDENTS' STATEMENT SUPPLEMENTING  
AND CORRECTING PETITIONERS' STATEMENT  
OF FACT.**

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**A.**

**Respondents' Patent Does Not Dominate the Entire  
Outboard Motor Industry.**

While Johnson patent 1,716,962 is unquestionably the most important patent in the outboard motor industry, the oft-repeated statement in the Petition for Certiorari that

this patent "dominates the entire outboard motor industry" is contrary to fact and is not only unsupported by, but contrary to, the evidence of record. The fact is that Respondents' Evinrude Division is only using the patented construction in 20% of its product (R. 42) and, as Petitioners well know, at least one concern has done a large, flourishing, and expanding outboard motor business without ever infringing this patent until after the decision of the Trial Court held it void. The testimony is that large size, high speed outboard motors cannot be built without the use of the invention in controversy, but the fact is that such motors constitute a small part of the total output of outboard motors (R. 42, 43).

That Petitioners should even urge that this patent dominates the outboard motor industry is of itself a fact of the utmost significance as bearing upon its defenses. The patent in suit in fact dominates only that newly created and relatively small portion of the outboard motor industry involving a size of outboard motor which did not exist until the invention in controversy made it possible. As to everything in the way of structure and outboard motor size that was in existence prior to the invention of the patent in suit, Petitioners can proceed without domination.

## B.

### **Petitioners' Assertion That the Filing of the Claims at Issue Was "Belated and Illegal" Urged for the First Time in This Court.**

Paragraph 9 of Petitioners' statement at the top of page 5 of the petition, without factual basis in the record, characterizes as "belated and illegal" the amendment by which the claims in suit were introduced into the application for Johnson patent 1,716,962 and infers criticism of the Trial Court for failure to consider this question. Says the



Petition: "Without going into the questions presented by the belated and illegal amendment of the application, the District Court found \* \* \*."

The fact is that this issue is tendered for the first time in this case in connection with this Petition for Certiorari.

No such issue was pleaded.

No such issue was presented to the Trial Court.

No such issue was presented to the Court of Appeals either in the main brief or in the Petition for Rehearing.

### C.

**There Had Been No Extensive Commercial Adoption of Structures Embodying Respondents' Invention Before the Claims in Suit Were Filed.**

No evidence justifies Petitioners' statement (Petition, page 4, paragraph 6) that the claims in suit were first introduced into the Johnson application "more than two years after extensive commercial adoption of structures embodying such subject matter".

It is an absurdity to contend that the invention had been extensively adopted commercially in 1926 in the face of the testimony that the invention made at that time first rendered possible the production by Respondents' predecessor, Johnson Motor Co.,<sup>4</sup> operating under license, of high speed outboard motors (R. 43). Up to 1926 the type of outboard motor to which the invention pertains was non-existent (R. 224, 225), and until Respondents' predecessors had introduced such motors no competitor knew how to build them. The Johnson Motor Company and the Lockwood Ash Motor Company referred to in the record, were both Respondents' predecessors (R. 38) and there was no adverse commercial adoption of structures embodying the subject matter of the patent by others more than two years

prior to the claiming of such subject matter in the application for the patent in suit.

The testimony is that even at the time of trial the respect for the patent was such that there was no adverse use of the invention except by the infringing Petitioners (R. 43).

#### D.

#### **Petitioners' Statement as to the Substance and Purpose of the Patented Invention Is Erroneous.**

Respondents challenge Petitioners' statements (Petition page 4, paragraph 7) as to the substance and purpose of the patented invention. Throughout the Petition, Petitioners criticize the use of the term "streamlining" as applied to the invention in controversy, and only in a footnote concede the fact that none of the claims uses this expression. The fact is that the term "streamlining" was adopted by counsel on both sides and by the lower court as a convenient "shorthand" reference to the actual structure as claimed, and as described in the evidence (R. 41, bottom; page 43, bottom; page 43, middle).

To state that the purpose of the invention is to minimize the resistance of the casing in passing through the water is to over-simplify the facts.

Cavitation is a phenomenon by which the propeller sucks air from the surface and thereby operates in air instead of displacing water (R. 40). For efficiency the propeller should be placed as close to the surface as possible (R. 41). Yet if air is drawn by cavitation into the propeller the resistance of the water to the propeller movement is eliminated, with the result that the motor will speed up and may actually disintegrate (R. 40). To reduce cavitation a horizontal plate called an anti-cavitation plate (R. 40) is interposed between the propeller and the surface of the

water. To operate effectively the plate must not only be submerged but there should be an undisturbed sheet of water overlying the plate to seal any tendency for air to be sucked down about the plate into the propeller (R. 40, 41). If the housing is not smooth walled, or if the water pipes are exposed, in either case, the resulting irregularities of surface will produce vortices in moving through the water and tend to increase the problem of cavitation, and to require a larger anti-cavitation plate (R. 41).

Before the combination of a smooth walled housing with an anti-cavitation plate intermediate its height (so that the water flow will be non-turbulent both above and below the plate) and internal water passages (to avoid eddy currents) was conceived, it was not possible to build outboard motors in excess of five horsepower because of the dilemma that the plate either had to be so large, to prevent cavitation, that its skin friction eliminated all of the speed advantage of the high power, or, in the alternative, cavitation occurred so seriously as either to destroy the possibility of high speed or to endanger the operator by threatening disintegration of the engine (R. 41-44).

The purpose of the invention was not, therefore, to minimize resistance of the casing passing through the water, but to make it possible for the casing to pass through the water at all at high speed. The high speed result was obtained by eliminating cavitation not merely through the use of the plate but through the cooperative action of the several elements of the claims so that not only is cavitation with its attendant danger eliminated but, in addition, this result is achieved without the excessive frictional drag of a large anti-cavitation plate.



## E.

**The Claims in Suit Cover Combinations of Cooperating Elements and Not Aggregations.**

The facts shown by the citations in the preceding section, together with other testimony (R. 42, R. 214 and R. 215) as to actual cooperation between the several elements of the patented combination, completely rebut Petitioners' contentions with respect to aggregation. In the lower court Petitioners' own brief, on page 21, admitted that streamlining "made possible the use of a smaller anti-cavitation plate". It would be hard to find a more outstanding example of true patentable cooperation between the elements of patent claims, in which the function of each element affects and modifies the functioning of the other elements to produce a single and unitary result which, on the record, is admitted to be the production of high speed, high powered motors otherwise impossible to make.

## ARGUMENT IN OPPOSITION TO THE ALLOWANCE OF WRIT OF CERTIORARI.

The following discussion will be directed to the "points" of argument set forth on pages 13 to 18 in the Brief in Support of the Petition for Certiorari.

### POINT I.

The assertion of the Petition that the patent in suit dominates and controls the entire industry is absurd and unfounded for reasons pointed out in paragraph A of Respondents' statement of facts *supra*. The patent in suit is of major importance but dominates only that 20% of the industry representing the manufacture of large size outboard motors as made possible by the structure of the patent.

It is true as alleged, that such of the industry as remains under impact of the national emergency, is concentrated at present within the Seventh Judicial Circuit, but in going outside of the Record Petitioners have not contended, and cannot contend, that this was true a few months ago, nor can Petitioners contend that this condition will continue following the termination of the emergency, since there were, at the time this litigation commenced, at least two unlicensed competitors outside of the Seventh Judicial Circuit both of whom, incidentally, were at that time respecting the patent.

That the outboard motor industry is not normally confined to the Seventh Judicial Circuit is conclusively evident from the fact that the claims at issue of the Johnson patent in suit were held valid in the Sixth Judicial Circuit in *Johnson Bros. Eng. Co. v. Caille Bros.*, 8 F. S. 198.

Instead of showing diversity of opinion as between the

several circuits or the impossibility of adjudication in more than one circuit, the record presented here by Petitioners shows that adjudication has already been had both in the Seventh Circuit and (in the district court case against Caille, *supra*) in the Sixth Circuit, with concurrent findings of validity and infringement in both cases.

It is believed that before Petitioners ask for the allowance of a writ of certiorari on the asserted ground that the industry is concentrated in the Seventh Circuit, it is not only incumbent upon Petitioners to establish that such concentration is permanent but also to show something in the case warranting review. That nothing requires review is shown by the following considerations.

On the issue of aggregation, which was the major issue raised by Petitioners in the Trial Court and in the Court of Appeals, there is no issue of law tendered. The questions raised by Petitioners are solely questions of fact as to cooperation between elements.

On the issue whether the claims in suit were "belatedly" introduced into the patent application, no justiciable issue is presented for the reason that the point was neither pleaded nor argued below. Petitioners' point is belatedly raised.

## POINT II.

In the discussion of its second point the Petition makes numerous statements contrary to the facts of record. Petitioners do not show and cannot show facts supporting their conclusion that the invention defined by the claims in suit is different from that *disclosed* in the application as filed. It will be noted that nowhere in the Petition is any reference made to any portion of the record to support Petitioners' sweeping statements of conclusion in this regard. The fact is that no changes were made in the specification of the patent in suit except such as were completely and

fully supported by the drawing. There is no element in any claim in suit which does not find full and complete support in the original application.

In so far as the record of this case elaborates upon the results and advantages of the invention, it is dealing with properties inherent in the structure as originally shown in the drawings and described in the specification of the patent application. An inventor "may invoke in support of his invention advantages of which he was not aware" if these are inherent in the structure. *Simplex Piston Ring Co. v. Horton-Gallow Creamer Co.*, 61 F. (2d) 748, 750; *R. C. A. v. Radio Engineering*, 293 U. S. 1, 14; "and if an inventor comes to better understand the principles of his invention while his application for patent is pending" an amendment of his claim to conform thereto does not introduce any original matter nor enlarge his invention and is within his legal rights". *Michigan Carton Co. v. Sutherland Paper Co.*, 29 F. (2d) 179, 184; *Danbury v. American Hatters*, 54 F. (2d) 344, 345; *A. O. Smith v. Lincoln Electric*, 82 F. (2d) 226, 227; *Enterprise Mfg. Co. v. Shakespeare Co.*, 106 F. (2d) 800, 802; *Nichols v. Minnesota Mining & Manufacturing Co.*, 109 F. (2d) 162, 166.

It is conceded that the claims in suit were first introduced some time after the application was filed. This Court said, in *Smith v. Snow* (294 U. S. 1, 16):

"It is of no moment that in the course of proceedings in the Patent Office the rejection of narrow claims was followed by the allowance of the broader claim 1."

However, when Petitioners state that the introduction of the claims in suit followed by more than two years the commercial adoption by the industry of the invention defined thereby, Petitioners are on very debatable ground.

In the first place, this highly specific defense was not pleaded. In the lower court identical defenses were asserted against all seven of the patents in suit, and this particular patent was not singled out by the pleading of



the technical defense here asserted. There is much that might have been added to the record in Respondents' behalf if this issue had ever been tendered below. Alleged delay in prosecution is a defense which must be pleaded. *Sachs v. Hartford Electric Co.*, 47 F. (2d) 743, 748.

In the second place, Petitioners' statements are wholly unwarranted by the record. The record (R. 42, 43, 225) clearly shows that the only use of the invention in 1926 or even 1927 was by concerns shown to be Respondents' own predecessors (R. 38). Other competition came later. The evidence further shows (R. 43) that until the invention was introduced by Respondents' predecessors no one else knew how to build a motor of this type and that even as of the trial date the patent is respected save by Petitioners.

In the light of the record, Respondents challenge any statement or implication of *adverse* use of the invention in controversy more than two years prior to the introduction of the claims in suit.

In the third place, the law cited by Petitioner is inapplicable. In every case in which this Court has held claims void for belated introduction (including all the cases relied upon by Petitioners), this Court made findings; first, that the subject matter of the added claims was new to the record; secondly, that the matter added was inconsistent with the original disclosure; and, thirdly, that there were intervening adverse rights. In the present case, Petitioners have not shown the addition of any structural matter not present in the original disclosure; they have not shown the introduction of any matter inconsistent with the original disclosure; and they have not shown any intervening adverse right.

In the *Schriber-Schroth* case, 305 U. S. 47, 56, this Court pointed out that the original specification had called for extremely rigid webs, whereas the amendment specified webs laterally flexible. And on page 57 this Court said:

"The application for patent cannot be broadened by



amendment so as to embrace an invention not described in the application as filed, at least when adverse rights of the public have intervened."

Note that in the *Schriber-Schroth* case the invention described was one wholly dependent upon the description in the specification for its disclosure, since it concerned the rigidity or flexibility of the web,—a matter incapable of illustration in a drawing. It was, therefore, a case where matter not only completely new but also inconsistent was introduced by amendment after adverse rights had intervened.

So in the *Mackay Radio* case, 306 U. S. 86, upon which Petitioners rely, this Court held, on page 99, that the amendment had attempted to alter the original formula to include a structure to which the original formula was inapplicable. Here again, the Court was dealing with new matter inconsistent with the original disclosure and there were intervening adverse rights as indicated by the Court's finding, 306 U. S. 100, that the amendment was introduced "after the present suit was brought":

In the *Powers-Kennedy* case, 282 U. S. 175, upon which Petitioners rely, this Court expressly found (Page 185) inconsistency with the original disclosure by stating that the theory of the claims ultimately adopted in the patent was incorrect and untenable. In addition, this Court based its conclusions only upon the existence of intervening adverse rights (Page 186).

Petitioners cannot show that the patent here in suit is based on "new matter", nor that it is based on matter inconsistent with the original disclosure, nor that there is some intervening adverse right. Since Petitioners have failed to show any support in the record for the existence of any of these prerequisite conditions in the present case, it follows that Petitioners cannot qualify for the allowance of the writ of certiorari under the authorities upon which they rely.

In addition, it is to be noted that this defense based on the introduction of new matter after the accrual of intervening adverse rights is a highly technical and specific defense which must be pleaded before it can be asserted. (*Sachs v. Hartford*, 47 F. (2d) 743, 748.) As above noted, this defense was neither pleaded nor raised in any of the courts below, even on petition for rehearing. It is first asserted here without any support either in the pleadings or the record.

### POINT III.

In discussing aggregation the petition draws conclusions which are not only unsupported by, but directly contrary to, the facts of record. Moreover, the Petitioners are dealing with questions of fact and not questions of law.

The record proves conclusively, and the Court of Appeals found, cooperation between the several elements of the claims. Petitioners go very far in repeating statements successfully challenged below and there shown to be contrary to the facts of record.

In sections D and E of Respondents' statement *supra*, Respondents have specifically given references to pages 40, 41, 42, 43, 44, 214, and 215, which conclusively establish that the engine, the cooling pipes or passages, the anti-cavitation plate, and the smooth wall of the housing both above and below the plate, all function in actual cooperation to produce a single and unitary new result, namely, the successful operation of a type of outboard motor which had been impossible without the use of the invention. A

There is no evidence in the record to dispute the testimony of cooperation between these elements as outlined in sections D and E of Respondents' statement, *supra*, and upon which the findings of the Court of Appeals are based. Consequently, there is no premise upon which Petitioners can successfully challenge the conclusions of the Court of Appeals. As contrasted with the Powers-Kennedy case

relied upon by Petitioners (282 U. S. 175, 186) where this Court expressly found that the elements or devices of the claims "accomplish no more than an aggregate of old results", the testimony in the present case is that the invention of the patent in suit made possible an extension of the industry which had long been held in abeyance; and that without the cooperative interaction of the several component elements of the claims it was not and is not possible to build successful outboard motors having engines of five h. p. or over.

### Conclusion.

It is respectfully pointed out that the issues tendered by the Petition for Certiorari are based upon erroneous premises, find no support in the cases cited or in the facts of record, and comprise:

First, an issue of fact as to cooperation between elements, the undisputed evidence of record being all adverse to Petitioners; and

Secondly, an issue of law for which there is no support in the facts or the authorities and which was neither pleaded, tendered, nor decided below.

It is therefore, respectfully requested that the Petition be denied.

Respectfully submitted,

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